



Post Office Box 3005
2831 Talleyrand Avenue
Jacksonville, Florida 32206-0005
www.jaxport.com

January 23, 2023

ADDENDUM NO. 01

**TO
SPECIFICATIONS AND CONTRACT DOCUMENTS
FOR
REQUEST FOR PROPOSAL 23-02**

**INTERNAL AUDITOR SERVICES
FOR THE JACKSONVILLE PORT AUTHORITY**

The item(s) of this Addendum shall modify and become a part of the contractual documents for this project as of this date.

(Failure to acknowledge this addendum may be grounds for rejection of proposal.)

Item No. 01

Throughout the Specifications and all E-Builder Notifications regarding this RFP, **REMOVE:** "Proposal Due Date of *TUESDAY, JANUARY 31, 2023*" and **REPLACE WITH:** "Revised" Extended Due Date of:

MONDAY, FEBRUARY 13, 2023 by 2:00 PM (EST)

ATTACHMENTS TO CONTRACT SPECIFICATIONS

Attachment No. 01 – *Response to Question(s) submitted via Email and/or E-Builder*

Acknowledgment of the following addenda is hereby made:

Addendum #1, Dated: _____ Initials _____

Company: _____

NOTE: THIS ADDENDUM SHALL BE ACKNOWLEDGED ON THE PROPOSAL FORM OR UPLOADED WITH PROPOSAL PACKAGE IN E-BUILDER. FAILURE TO ACKNOWLEDGE ADDENDUM MAY BE GROUNDS FOR REJECTION OF PROPOSAL.

PLEASE VISIT [HTTPS://WWW.JAXPORT.COM/PROCUREMENT/](https://www.jaxport.com/procurement/) OR CALL PROCUREMENT SERVICES AT (904) 357-3455, PRIOR TO THE PUBLIC OPENING TO DETERMINE IF ANY ADDITIONAL ADDENDA HAVE BEEN RELEASED ON THIS PROJECT.



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**REQUEST FOR PROPOSAL 23-02
INTERNAL AUDITOR SERVICES
FOR THE JACKSONVILLE PORT AUTHORITY**

RESPONSE TO QUESTIONS

1. Does all of the information HAVE to be on the original bid package document (the 47 page one), or is a separate Word document answering all the relevant points acceptable?

ANSWER: The proposal must be submitted according to Article 1, section 1.08

2. On Page A1-3, top paragraph, it says in bold and capitalized “Do not scan and submit any other portions of the original Jax Port Proposal Package”...Please clarify.

ANSWER: All proposal packages must only be submitted via E-Builder and should only include the proposal form and required additional information, as directed.

3. How much of the work does the Jacksonville Port Authority (JAXPORT) anticipate needing to be completed on-site?

ANSWER: It will be up to the selected firm to determine how much on-site/off-site work is necessary based on the work to be completed.

4. Is there a preferred Accounting and Auditing Standard you would like followed?

ANSWER: Generally accepted standards for government and public auditing.

5. Is there a specific format or template that JAXPORT would like the contractor to use for reporting audit findings?

ANSWER: No

6. Has JAXPORT utilized outside firms for similar work in the past few years? If so, can JAXPORT quantify the number of hours and hourly rate of the previous contracts?

ANSWER: Yes. The number of hours varied depending on the audit and the length of time.

Partner / Senior Director	\$335.00
Director	\$240.00
Manager	\$180.00
Supervisor	\$145.00
Senior	\$130.00
Staff	\$105.00

7. Regarding Section 4.05 F. Proximity to the Project, does your definition of offices include the residences of remote employees?

ANSWER: No

8. **Section 1.07 – Questions & Addendum** on page A1-2 instructs proposers to “make such Addendum a part of its Proposal.” Can proposers acknowledge receipt of the addendum(s) in the Additional Required Info tab of e-Builder or does JAXPORT want the proposer to include a copy of the addendum(s) as part of the proposal document, as well? If the latter, does this count towards the 25-page limit set forth in Section 1.08 of the RFP?

ANSWER: Acknowledge all addenda in the Additional Required Info tab of E-Builder.

9. **Section 1.08 – Preparation of Proposal**, Subsection G on page A1-3 required an authorized representative (or agent) to sign the proposal. Would a letter from an officer of the corporation authorizing the “prime proposer” suffice to document that the “prime proposer” is signing the document as an authorized agent of the Firm?

ANSWER: Yes, that would suffice but the “prime proposer” would still be responsible for submitting an executed Article III which includes Page A3-3 Proposer’s Acknowledgement with their proposal.

10. **Section 4.05 – Evaluation Criteria** on page A4-3 requests the proposer to provide the addresses of all office locations located in or out of the Duval County area. As our firm has 70+ offices within the United States and in Mexico, would it be appropriate for us to only list the offices within Florida?

ANSWER: List all addresses of office locations in Florida and provide a list of the other states where your firm has offices.

11. Much of our internal audit work is performed remotely rather than on-site. Will the selected firm be permitted to perform some portion of the work off-site? If allowed, will it be up to the selected firm to determine when on-site work is necessary?

ANSWER: Yes. Yes.

12. The requested Hourly Rate information shall include out-of-pocket travel costs. Since we don't know the scope and nature of internal audits, we are unable to estimate out of pocket cost to include in the hourly rate. Can you provide guidance or assumptions that help us estimate such costs to include in the hourly rate?

ANSWER: The number of audits per year has ranged from 2 to 5
The number of hours vary depending of the complexity of the audit.

13. Will the internal audit reports and opinion on internal controls be provided to any parties outside of JAXPORT?

ANSWER: Yes. The City of Jacksonville Counsel Auditors and the Inspector General's Office

14. Can you provide an example of the opinion JAXPORT expects to be included in the internal audit reports?

ANSWER: Based on the scope of the audit, a list of your findings would be expected. An opinion would be offered based on your knowledge of best practices.

15. Is the selected consulting firm permitted to utilize offshore resources?

ANSWER: No, all internal audit services should be conducted in the United States.

16. Will a member of JAXPORT management be accountable for administrative oversight of the internal audit function?

ANSWER: Yes.

17. How many internal audit hours did JAXPORT incur in past two years?

ANSWER: 719.5 hours

18. Can you explain the process for identifying and scoping the internal audits (i.e. developing the audit plan) to be performed by the selected firm?

ANSWER: The Risk Assessment will be used as the starting point for developing the internal audit plan.

19. Based on JAXPORT's current Internal Audit Plan and/or experience in previous years, can you provide an estimate or range of hours expected for internal audit work during a typical year?

ANSWER: 500 hours

20. What is the estimated budget for the engagement?

ANSWER: FYE23 \$100,000

21. How often does JAXPORT expect the auditor(s) to be onsite?

ANSWER: It will be up to the selected firm to determine how much on-site/off-site work is necessary based on the work they deem necessary to be completed.

22. Does JAXPORT currently outsource internal audit services?

ANSWER: Yes.

23. Does JAXPORT have an up-to-date and documented risk assessment? **No.**

a. If the risk assessment is not current, when was it last updated? **FYE 2017**

b. Would the Proposer be expected to update the risk assessment annually throughout the contract?
No.

ANSWER: (See above for responses to each question under #23)

24. Who will be determining what audits are performed by the Proposer? **Joint Effort: Risk Assessment/Proposer/Internal Resource**

- a. Does JAXPORT have a developed audit plan with the audits to be completed by the Proposer?
No
- b. Would the Proposer be expected to develop the audit plan for the first year? **Yes**
- c. Would the Proposer be expected to develop the audit plan in future contract years? **Yes**

ANSWER: *(See above for responses to each question under #24)*

25. Who would the Proposer be reporting to at JAXPORT?

ANSWER: The Chief, Administration and Corporate Performance will provide administrative oversight. However, the Proposer's final report will be presented directly to the Board of Directors' Audit Committee

26. Would the Proposer be expected to present its audit reports to executive management and the Audit Committee Board?

ANSWER: Yes

27. What is the expectation of on-site vs. off-site (virtual) for the performance of the internal audit activities, meetings, and other services provided?

ANSWER: It will depend on the Proposer's need. However, there should be an expectation for some on-site visits.

28. How many times does the internal auditor meet with the Board/Leadership during the year?

ANSWER: The Board's Audit Committee has meeting once a quarter. JAXPORT's leadership can meet with the proposer whenever deemed necessary.

29. Are meetings with the Board/Leadership expected to be in-person or virtual?

ANSWER: In person.

30. If there was an incumbent IA provider, what is the reason for the change in internal audit service providers?

ANSWER: Contract expired.

31. Can an annual internal audit report for the 2021 and 2022 audit years be made available?

ANSWER: No, an Annual Report is not available.

32. Can an annual risk assessment summary for the 2021 and 2022 audit years be made available?

ANSWER: No. There was not an assessment completed for 2021 and 2022

33. Does JAXPORT have a budget for annual internal audit services?

ANSWER: Yes.

34. How many internal audits have been performed in the past fiscal year?

ANSWER: Two (2).

35. The proposal mentions 5 areas (procurement, billing, IT Services, Security, and Capital Projects). Does the annual internal audit plan tend to rotate the auditing of these areas?

ANSWER: Yes.

36. In the past five years, have the same areas for audit been identified by the annual risk assessment? If not, please explain.

ANSWER: The risk assessment completed in 2017 was used in identifying the audit plan for the last five years.

37. Has an internal audit risk assessment been performed for the FYE 9/30/2023?

ANSWER: No.

38. What are the major IT applications that management anticipates should be contemplated in our scope?

ANSWER: Business applications: Great Plains, Port Control, Maximo, etc.
IT Support Applications: Microsoft exchange, Active Directory, etc.

39. What is the expectation of the IA provider in regards to the preparation, contribution and completion of the risk assessment and the development of the annual audit plan? (Is it expected that the IA provider create both or just the audit plan from the JAXPORT completed risk assessment)?

ANSWER: The IA is expected to complete the audit plan.

40. Does the department use a system to manage the internal audit function?

ANSWER: No.

41. What is the time frame of these audits?

ANSWER: The contract is for an initial period of three (3) years with three (3) additional, one (1) year renewal options. The time frame for each audit will be based upon the proposer's time frame during the development of the audit plan.

42. Can you share the results of the risk assessment?

ANSWER: The Awarded Proposer will be provided the results upon start of work.

43. How many audits per year and what is the budgeted hours per audit?

ANSWER: The number of audits per year can range from 2 to 5 depending upon the complexity of each audit.